Section 1: Introduction

Overview

The *Health Insurance Portability and Accountability Act of 1996* (HIPAA) legislation mandates that many of the major health care electronic data exchanges, such as electronic claims and remittance advices, be standardized into the same national format for all payers, providers, and clearinghouses. All providers who submit governed data electronically to the Indiana State Department of Health (ISDH) must submit in the mandated HIPAA formats on or after by October 16, 2003.

HIPAA specifically names several electronic standards that must be followed when certain health care information is exchanged. These standards are published as *National Electronic Data Interchange Transaction Set Implementation Guides*. They are commonly called *Implementation Guides* (*IGs*) and are referred to as *IGs* throughout this document. The following table lists the adopted standards and the related ISDH business categories.

Table 1.1. – Standards and Business Categories

Business Category	Transaction Name/Implementation Guide (IG) including addendums	Batch Transaction Standard	Description
Health claims and equivalent encounter information	Telecommunication Standard Format Version 5.1	Batch Transaction Standard Version 1.1	National Council for Prescription Drug (NCPDP)
Eligibility for a health plan	Telecommunication Standard Format Version 5.1	Batch Transaction Standard Version 1.1	National Council for Prescription Drug (NCPDP)
Coordination of benefits	Telecommunication Standard Format Version 5.1	Batch Transaction Standard Version 1.1	National Council for Prescription Drug (NCPDP)
Health Care Services Referral Certification and Authorization	Telecommunication Standard Format Version 5.1	Batch Transaction Standard Version 1.1	National Council for Prescription Drug (NCPDP)

The *ASC X12N IGs* are available for download through the Washington Publishing Company Web site at http://hipaa.wpc-edi.com. Information on the *National Council for Prescription Drug Programs (NCPDP) IGs* is available through their Web site at

http://www.ncpdp.org. Developers should have copies of the respective IGs prior to beginning the development process.

ISDH has developed technical companion guides to assist application developers during the implementation process and are available for download at http://www.in.gov/isdh/programs/cshcs or by contacting the EDI Help Desk by telephone at 317/233-1351 or toll-free at 800/475-1355 Option 5, Option 3.

The information contained in the *ISDH Companion Guide* is only intended to supplement the adopted *IGs* and provide guidance and clarification as it applies to ISDH. The *ISDH Companion Guide* is never intended to modify, contradict, or reinterpret the rules established in the *IGs*.

The companion guide is categorized into four sections:

1. Introduction
2. Communication and Data Exchange Technical Specifications and Interchange Control Structure
3. Transaction Specifications
4. Acknowledgments

This section, *Introduction*, provides general implementation information as well as specific instructions that apply to all transactions. Section 2 identifies the methods of communication available and data exchange options and both inbound and outbound interchange control structures. Section 3 contains transaction specific documentation, including segment usage, to assist developers in coding each transaction. Finally, Section 4 lists the acknowledgment to be returned to the original sender.

Trading Partner Profiles, Trading Partner Agreements, and Testing

HIPAA regulations specifically defines a "Trading Partner Agreement" as follows:

> *Trading partner agreement* means an agreement related to the exchange of information in electronic transactions, whether the agreement is distinct or part of a larger agreement, between each party to the agreement. (For example, a trading partner agreement may specify, among other things, the duties and responsibilities of each party to the agreement in conducting a standard transaction.)[Part§ 160.103 Definitions]

A trading partner is an entity with whom an organization exchanges data electronically. The ISDH requires that anyone wishing to conduct electronic transactions complete a trading partner profile and, if applicable, a trading partner agreement. There are three levels of transaction testing required before an agreement is considered approved. These testing levels include the following:

• Compliance Testing
• ISDH Specification Validation Testing
• End-to-End Testing

To obtain copies of the ISDH Trading Partner Profile or the ISDH Trading Partner Agreement, please visit our web site at http://www.in.gov/isdh/programs/cshcs or contact the EDI Help Desk by telephone at 317/233-1351 or toll-free at 800/475-1355.
Any entity that would like to exchange data electronically with the ISDH must file a completed Trading Partner Profile and a Trading partner agreement with the ISDH. A software vendor or application development organization is not required to sign and submit a trading partner agreement but is required to complete a trading partner profile and participate in the established testing process.

Data Flow

ISDH requires that all transactions for electronically exchanging data must be submitted in **batch mode**. Section 2 provides communication specifications for data exchange.

A NCPDP batch requests or inquiries transaction results in the creation of the response transaction, please see the table 1.2. The ISDH posts the responses within a reasonable amount of time for the requestor to retrieve. Section 2 provides communication specifications for data exchange.

Processing Assumptions

Some transactions are created and generated by, or on behalf of, a provider. Others are created by ISDH either in response to a request received from a provider or as a means to provide pertinent information to providers or managed care organizations. Several processing assumptions must be stated that could include inbound (to ISDH) transactions or outbound (from ISDH) transactions. The following list identifies each transaction by ISDH definition as inbound or outbound:

Table 1.2 – ISDH Transaction Definition

Inbound	Outbound
NCPDP: Billing Request	Health care payment and remittance advice ASCX12N835
NCPDP Eligibility Request	NCPDP Eligibility Response
Health Claim Status – ASCX12N276	Health Claim Status – ASCX12N276
NCPDP Coordination of Benefits	Health care payment and remittance advice ASCX12N835
NCPDP Prior Authorization Request	NCPDP Prior Authorization Response

Basic Technical Information

The following list includes basic technical information for each transaction:
- The following delimiters are used for all outbound transactions:

Segment separator	Hex 1E (Dec 30)
Group separator	Hex 1D (Dec 29)
Field separator	Hex 1C (Dec 28)

- See the IG for clarification on amount and quantity field formats.
- If any of the transactions are in an error in a transmission then only the error transactions are rejected and all the error transactions are sent back to the trading partner.
- All segments and fields listed in the NCPDP Version 5.1 guide will be accepted, but only those segments and fields pertinent to transaction processing will be used.

System Rejects

The ISDH EDI system will reject any invalid NCPDP transactions in a "*.reject" file and send to trading partners. The following are the scenario's when a trading partner receives a reject file:

1. If the batch header is invalid then the whole batch will be rejected and sent back to the trading partner in a file with extension ".reject"; however, if ISDH EDI application cannot identify the Sender ID in the batch then there is no file sent to trading partner.

2. If any transaction is invalid in the batch file then the invalid transaction/transactions are sent back to Trading Partner in a ".reject" file.

The general syntax of a transmission request will appear as follows:

```
┌─────────────────────────────────────────────────────────────┐
│ Batch File                                                    │
│    ┌────────────────────────────────────────────────────┐    │
│    │ Transmission                                         │    │
│    │    ┌──────────────────────────────────────────┐      │    │
│    │    │    Header                                 │      │    │
│    │    │    Patient                                │      │    │
│    │    │    Insurance                              │      │    │
│    │    │       ┌────────────────────────────────┐  │      │    │
│    │    │       │    Transactions (1:4)           │  │      │    │
│    │    │       │       Claim Segment             │  │      │    │
│    │    │       │       Prescriber Segment        │  │      │    │
│    │    │       │       Coordination of Benefits/Other │      │    │
│    │    │       │       Payments Segment          │  │      │    │
│    │    │       │       Pricing Segment           │  │      │    │
│    │    │       │       Compound Segment          │  │      │    │
│    │    │       │       Prior Authorization Segment│  │      │    │
│    │    │       │       Clinical Segment          │  │      │    │
│    │    │       └────────────────────────────────┘  │      │    │
│    │    └──────────────────────────────────────────┘      │    │
│    └────────────────────────────────────────────────────┘    │
└─────────────────────────────────────────────────────────────┘
```
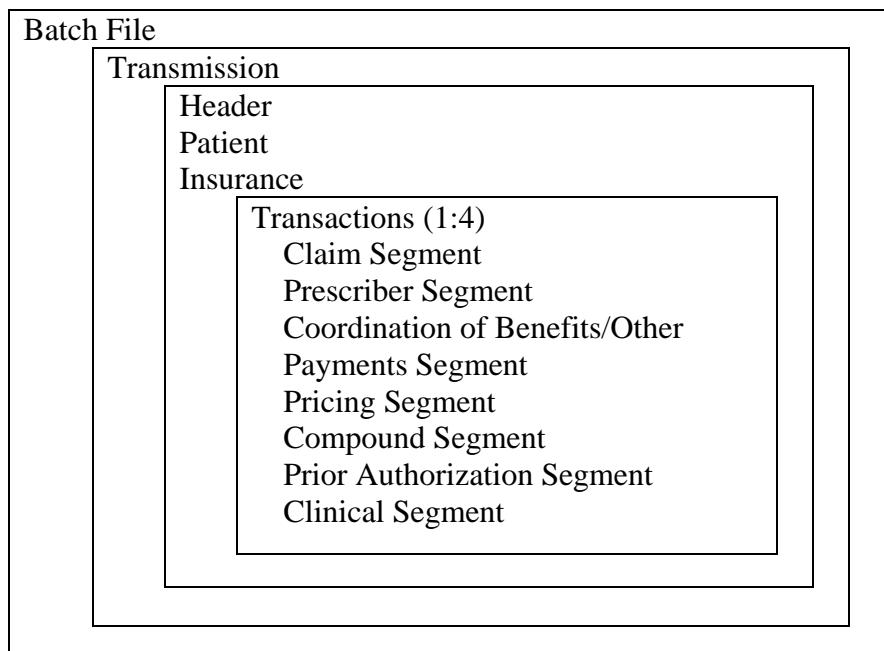
Data Conventions

Character Sets Designation

N	Unsigned numeric, always right justified, zero filled. Example: 9(7)v999 is represented as '9999999999' with an implied decimal point.
D	Signed numeric, sign is internal and trailing. Zeros are always positive and right justified. Dollars and cents amount with two positions to the right of the implied decimal point. All other positions are to the left of the implied decimal point (refer to the Overpunch Sign section below). Example: D field of length 8 is represented as '$$$$$$cc'.
A/N	Alphanumeric, always left justified, space filled ('A' through 'Z', '0' through '9', and printable characters).

The Overpunch Sign

The purpose of using Overpunch signs in dollar fields is to allow the representation of positive and negative dollar amounts without expanding the size of the field (i.e., to hold the plus or minus character). The Overpunch sign replaces the right-most character in a dollar field. The signed value designates the positive or negative status of the numeric value. The dollar field of $99.95 would be represented as '999E' with truncation. A negative dollar amount of $2.50 would be represented as '25}' with truncation. The

following table shows ASCII values:

Unit	Signed Positive				Signed Negative			
	GRAPHIC	OCT	DEC	HEX	GRAPHIC	OCT	DEC	HEX
0	**{** 173		123	7B	**}**	175	125	7D
1	**A** 101		65	41	**J**	112	74	4A
2	**B** 102		66	42	**K**	113	75	4B
3	**C** 103		67	43	**L**	114	76	4C
4	**D** 104		68	44	**M**	115	77	4D
5	**E** 105		69	45	**N**	116	78	4E
6	**F** 106		70	46	**O**	117	79	4F
7	**G** 107		71	47	**P**	120	80	50
8	**H** 110		72	48	**Q**	121	81	51
9	**I** 111		73	49	**R**	122	82	52

Truncation

To truncate a field using 5.1 format:

NUMERIC (N or D)	Remove leading zeros
ALPHANUMERIC (A/N)	Remove trailing spaces

When transmitting dollar fields, the least significant digit should be represented as one of the Overpunch signs to indicate whether the value is positive or negative. (Refer to The Overpunch Sign section above.)

Request Transaction/Segment Usage Matrix

Request Segment usage matrix

Segment	Transaction Type		
	Eligibility	Billing	P/A Req Only
Header	M	M	M
Patient	R	R	R
Insurance	M	M	M
Claim	N	M	M
Pharmacy Provider	O	O	O
Prescriber	N	S	O
COB/Other Payments	N	S	O
Workers Comp	N	O	O
DUR/PPS	N	O	O

Pricing	N	M	O
Coupon	N	O	O
Compound	N	S	O
Prior Authorization	N	O	M
Clinical	N	O	O

Notes: 1. *Grayed out segments are not used by Indiana State Department of Health*
2. Information contained in fields mentioned as Not used by ISDH will be ignored in the processing of the claim request.
M=Mandatory
O=Optional; Conditional based on data content
N=Not Sent
R=Required by ISDH
S=Situational